

TRANSMITTAL SLIP	DATE 25 May 82
DD/ERA/OGI	

25X1

TRANSMITTAL SLIP		DATE 25 May 82
TO:	Energy Branch/OGI	
BUILDING	Hqs.	
REMARKS:		
FYI		
FROM: C/NIC		
ROOM NO. 7E62	BUILDING Hqs.	EXTENSION

25X1

25X1

122

25X1

FORM NO. 241  
1 FEB 55

REPLACES FORM 36-B  
WHICH MAY BE USED.

(47)

# **EXECUTIVE SECRETARIAT**

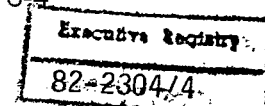
## **Routing Slip**

TO:		ACTION	INFO	DATE	INITIAL
1	DCI				
2	DDCI				
3	EXDIR				
4	D/ICS				
5	DDI				
6	DDA				
7	DDO				
8	DDS&T				
9	Chm/NIC				
10	GC				
11	IG				
12	Compt				
13	D/EEO				
14	D/Pers				
15	D/OEA				
16	C/PAD/OEA				
17	SA/IA				
18	AO/DCI				
19	C/IPD/OIS				
20					
21					
22					
		<b>SUSPENSE</b> _____ Date			

Remarks:

Executive Secretary

SECRET



24 May 1982

MEMORANDUM FOR: Deputy Director for Intelligence  
Chairman, National Intelligence Council

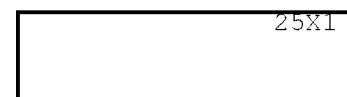
FROM: Director of Central Intelligence

SUBJECT: Pipeline Sanctions

At the NSC meeting, State and Commerce pitched for giving Buckley authority to throw in the pipeline sanctions at a 27 May meeting in Paris. All the domestic people agreed except Treasury. Defense, Kirkpatrick and I argued the other way. The points I made are these:

- Poland - bad as ever - after some loosening, repression being tightened - economy at 60% of capacity - likely to get worse
- Soviet-European pipeline
  - \$15 to \$20 billion in hard currency between 1985 and 1990
  - \$4 to \$5 billion a year after 1990
- 25X1
- First leg of pipeline will make Europe dependent on Russia for 20% of gas.
- By turn of century dependence will be 40% unless declining supply from Holland and increased needs are replaced by non-Russian sources.
- Norway has potential and needs assurance of market and financing from Europe to develop.
- Japanese market and Siberian development will give Soviets \$20-\$30 billion hard currency over 20 years.
- Lending to Soviets likely to be limited by financial and economic considerations and any additional limitations obtained by negotiations not likely to be significant.
- Certainly \$200 million worth of business for US is dwarfed by value of gas sales to Soviets compared to hard currency Soviets could get from gas which will sharply reduce need for credit.

William J. Casey



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